

**APPLICATION FOR PERMIT
TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA**

Date of filing in State Engineer's Office APR 17 1996
Returned to applicant for correction MAY 31 1996
Corrected application filed JUL 30 1996
Map filed JUL 30 1996

The applicant **Pittston Nevada Gold Company, LLC**, hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

1. The source of the proposed appropriation is **underground**
2. The amount of water applied for is **60 gallons per minute = 0.134 second-feet**
 - (a) If stored in reservoir give number of acre-feet **N/A**
3. The water to be used for **mining, milling and domestic purposes**
4. If use is for:
 - (a) Irrigation, state number of acres to be irrigated **N/A**
 - (b) Stockwater, state number and kinds of animals to be watered **N/A**
 - (c) Other use (describe fully under No. 12. "Remarks") **See #12**
 - (d) Power:
 - (1) Horsepower developed **N/A**
 - (2) Point of return of water to stream **N/A**
5. The water is to be diverted from its source at the following point **within the SW¼ SW¼ Section 20, T36N, R65E, MDM, from which the SW corner of Section 19, in said township, bears S 88 degrees 35 minutes W, 5,662 feet dist.**
6. Place of Use **T35N, R65E: All of Sections 1-4, 9-16, 21-28; T36N, R65E: All of Township (Sections 1-36) T37N, R65E: Section 19: Lots 1-4; Section 30: Lots 1-4; and all of Sections 31-36**
7. Use will begin about **January 1** and end about **December 31**, of each year.
8. Description of proposed works **drilled well with pump and motor, storage tank**
9. Estimated cost of works **\$27,000**
10. Estimated time required to construct works **1 week**
11. Estimated time required to complete the application of water to beneficial use **2 years - application may be extended beyond this time depending on exploration results.**
12. Remarks: **Annual Consumptive Use = 35,000 gpd for approximately 252 days per year = 8,820,000**

By **PITTSTON NEVADA GOLD COMPANY, LLC**
Susie Mason
Susie Mason - Vice President
4750 Longley Lane - Suite #205
Reno, NV 89502

Compared jr/cms cl/cms

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the groundwater basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.134 cubic feet per second, but not to exceed 9.8 million gallons annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

September 17, 1998

Proof of completion of work shall be filed before:

October 17, 1998

Application of water to beneficial use shall be filed on or before:

September 17, 2000

Proof of the application of water to beneficial use shall be filed on or before:

October 17, 2000

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.,
State Engineer of Nevada, have hereunto set
my hand and the seal of my office,

this 17th day of September, A.D. 1997


State Engineer

Completion of work filed FEB 09 1999

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____